

House Bill 134 (AS PASSED HOUSE AND SENATE)

By: Representatives England of the 108<sup>th</sup>, Heard of the 104<sup>th</sup>, Coan of the 101<sup>st</sup>, and Benton of the 31<sup>st</sup>

A BILL TO BE ENTITLED  
AN ACT

To amend Part 2 of Article 3 of Chapter 91 of Title 36 of the Official Code of Georgia Annotated, relating to bid bonds for public works bidding for local governments, so as to change certain provisions relating to cash in lieu of bid bonds and letters of credit; to change certain provisions relating to acceptable substitutes for bonds; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Part 2 of Article 3 of Chapter 91 of Title 36 of the Official Code of Georgia Annotated, relating to bid bonds for public works bidding for local governments, is amended by revising subsection (b) of Code Section 36-91-51, relating to cash in lieu of bid bonds and letters of credit, as follows:

"(b) When the amount of any bid bond required under this article does not exceed ~~\$300,000.00~~ \$750,000.00, the governmental entity may, in its sole discretion, accept an irrevocable letter of credit issued by a bank or savings and loan association, as defined in Code Section 7-1-4, in the amount of and in lieu of the bond otherwise required under Code Section 36-91-50."

**SECTION 2.**

Said part is further amended by revising Code Section 36-91-71 of the Official Code of Georgia Annotated, relating to acceptable substitutes for bonds, as follows:

"36-91-71.

When the amount of the performance bond required under this article does not exceed ~~\$300,000.00~~ \$750,000.00, the governmental entity may, in its sole discretion, accept an irrevocable letter of credit by a bank or savings and loan association, as defined in Code Section 7-1-4, in the amount of and in lieu of the bond otherwise required under this article."

- 1
- SECTION 3.**
- 2
- All laws and parts of laws in conflict with this Act are repealed.